

FSCA Press Release

24 March 2020

FSCA issues public warning against VIP Chairo Crypto

The Financial Sector Conduct Authority (FSCA) warns the public to act with caution when dealing with VIP Chairo Crypto (VIP Chairo). The FSCA suspects VIP Chairo of conducting unauthorised financial services business and breaching various financial sector laws, including falsely operating as bank.

The FSCA received information that VIP Chairo runs a suspected scam on WhatsApp, accepting deposits in the form of Bitcoin from members of the public offering. VIP Chairo then offers these investors a return of 30% in one month. The FSCA confirms that VIP Chairo is not authorised in terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS Act), to render financial advisory and intermediary services. The Authority can also confirm that this entity is not a registered bank or representative of a bank in terms of the Banks Act (Act No. 94 of 1990). It is not authorised to offer any banking services such as taking deposits from the public.

Members of the public should always check that an entity or individual is registered with the FSCA to provide Financial Advisory & Intermediary Services and what category of advice it is that the entity is registered to provide. There are instances where persons are registered to provide basic advisory services for a low risk product and then offer services of a far more complex and risky nature. The FSCA again reminds consumers who wish to conduct financial services with an institution or person to check beforehand with the FSCA on either the toll free number (0800 110 443) or on the website www.fsc.co.za as to whether or not such institution or person is authorised to render financial services.

ENDS

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